

THE GREEN INDUSTRY OF IDAHO

July 2001

Survey conducted by

**Social Science Research Unit
University of Idaho
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Executive Summary

Until recently, the economic value and contribution of a variety of commercial industries related to horticulture had never been fully measured in the state of Idaho. In response to this lack of information, the University of Idaho's Social Science Research Unit (SSRU) conducted a survey to create a baseline assessment of the self-proclaimed "Green Industry" contributions to Idaho's economy. As a part of this effort, 2,025 questionnaires were mailed to horticulture-related businesses during the summer of 2000. Due to changes in a number of businesses, a large number (1,001) of these were found to be ineligible for the study. Of the total eligible number of survey recipients (1,024), 54% returned completed questionnaires. Based on the data collected as a part of this study, Idaho's Green Industry added an estimated \$662,000,000 in total sales to the state's economy in 1999.

Introduction

The Green Industry of Idaho in cooperation with the University of Idaho's Social Science Research Unit (SSRU) conducted a survey of horticulture businesses in Idaho. The businesses surveyed included: retail nurseries, garden centers, wholesale nurseries, florists, sod growers, greenhouse growers, arborists, landscape contractors, landscape architects, maintenance businesses, as well as a variety of other specialty industries related to horticulture products and services. The purpose of this study was to learn to what extent the horticulture industry contributes to Idaho's state economy.

Methodology

In late June of 2000, a total of 2025 questionnaires entitled "*Horticulture In Idaho: A Survey to Measure the Economic Impact of the Horticulture Industry in Idaho*" were mailed to horticulture related businesses in the state. The questionnaire asked a series of fourteen questions related to services and products considered a part of the Green industry. Dillman's *Total Design Method*¹ (*FNI*) was used with an introductory letter and questionnaire sent as the initial mailing. With this method, follow-ups included a postcard sent one week later, and a second letter and questionnaire sent two weeks following the postcard. An additional telephone follow-up was conducted for all remaining non-respondents at this stage.

Out of the 2025 questionnaires originally mailed, there were a total of 760 persons who were ineligible (persons no longer associated with horticulture), and 180 of the questionnaires could not be delivered because of insufficient forwarding addresses. Of the individuals who were called a total of 61 businesses no longer had telephone service, thus making a total of 1,001 ineligible respondents to whom the SSRU originally mailed surveys. In an effort to encourage

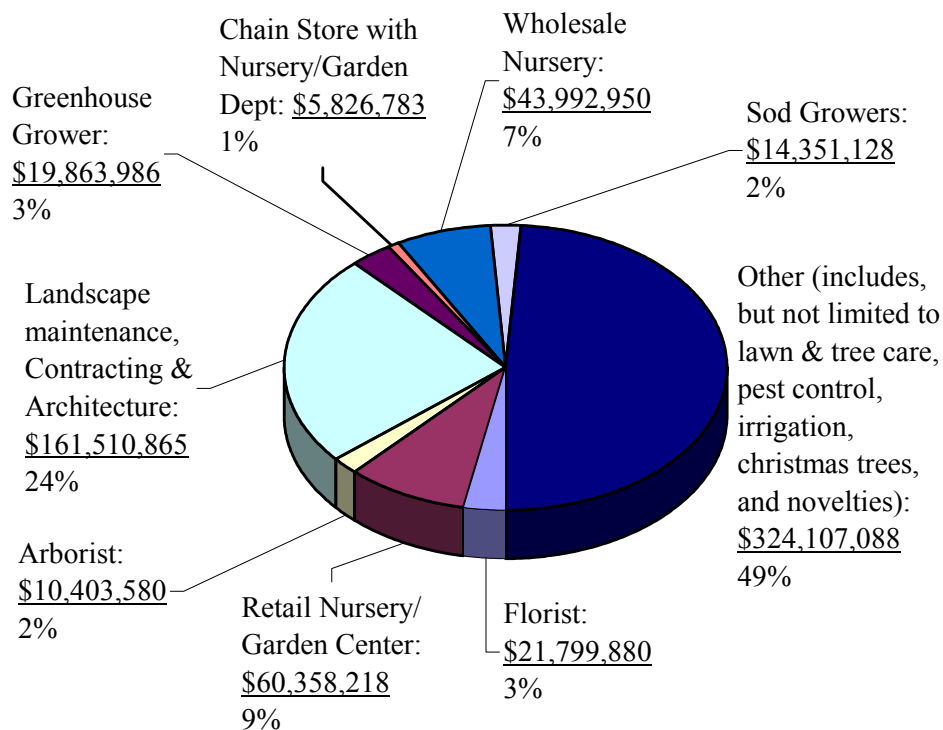
¹ Don Dillman, Mail and Telephone Surveys: The Total Design Method, Wiley Interscience Publication, New York, 1978.

additional response, the Idaho Nursery and Florist Advisory Committee mailed letters to non-responding businesses during October (see Appendix 4). Of the eligible respondents (1,208) a total of 553 completed and returned the questionnaires, yielding an overall response rate of fifty-four percent.

Findings

Members of the horticulture industry in Idaho were asked what percentage of their total sales came from products and services in each of the eleven categories. The majority of respondents (49%) indicated their total sales came from, but were not limited to lawn and tree care, pest control, irrigation, Christmas trees, and novelties such as tree stump removal and flower farms. Twenty-four percent (24%) of the industry's business involved landscape maintenance, contracting, and architecture. The remaining twenty-seven percent of horticulture business in Idaho included retail nursery/garden centers (9%), wholesale nurseries (7%), florists (3%), greenhouse growers (3%), arborists (2%), sod growers (2%), and chain stores with nursery/garden departments (1%).

Figure 1. 1999 Idaho Green Industry Estimated Total Sales: \$662,214,478²

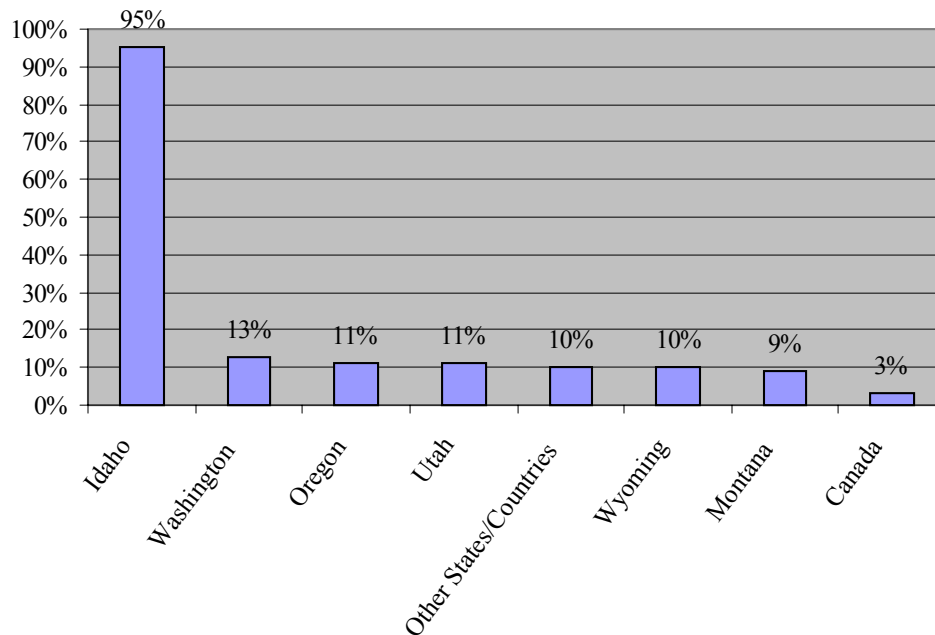


² During the summer and fall of 2000, an effort was made to survey the entire Green Industry of Idaho. Fifty-four percent of those surveyed responded with completed questionnaires. In order to more fully represent the Green Industry's economic contribution, the figures report here are extrapolated based on the information collected.

Respondents were asked what percent of their 1999 total sales came from both products and services. Ninety-two percent of the Idaho's Green Industry sales came from products and the remaining eight percent from services. Based on data collected, it is estimated that more than \$662,000,000 in total sales were added to the state of Idaho's economy from the Green Industry during 1999. For the same year, the Green Industry also generated more than \$6.8 million sales tax revenues.

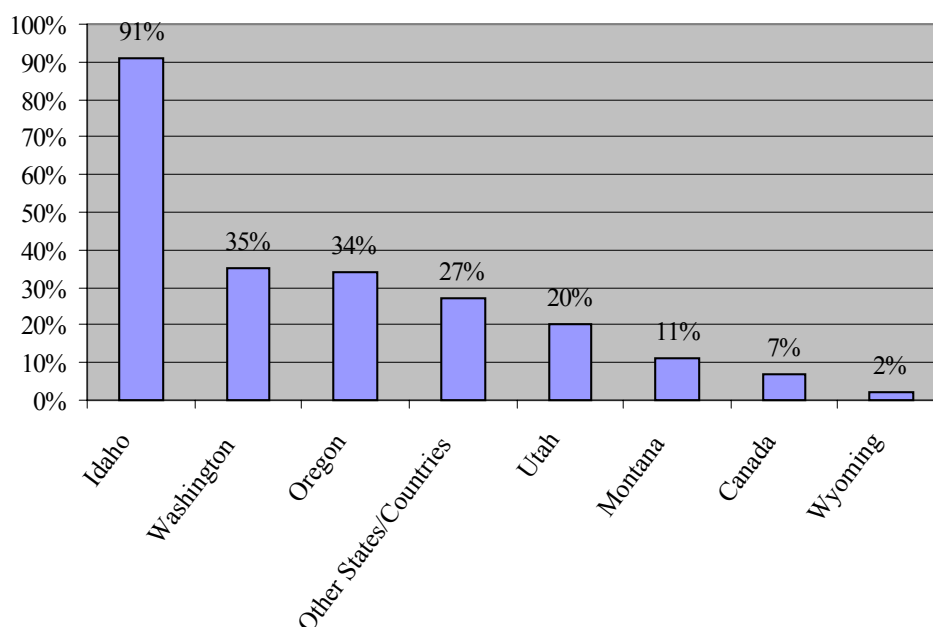
The survey also measured the geographic distribution of the Green Industry's economic contribution. Respondents were given a list of seven states that included Idaho, Washington, Oregon, Montana, Utah, and Wyoming, as well as Canada, and an "other states/countries" category to check those where they sold products or services in 1999. Most of the respondents (95%) sold their products and services in State (see Figure 2). Among all respondents, the average percentage of total sales of products and services sold to out-of-state customers during 1999 was 12%.

Figure 2. States/Countries Where The Idaho Green Industry Sold Products or Services



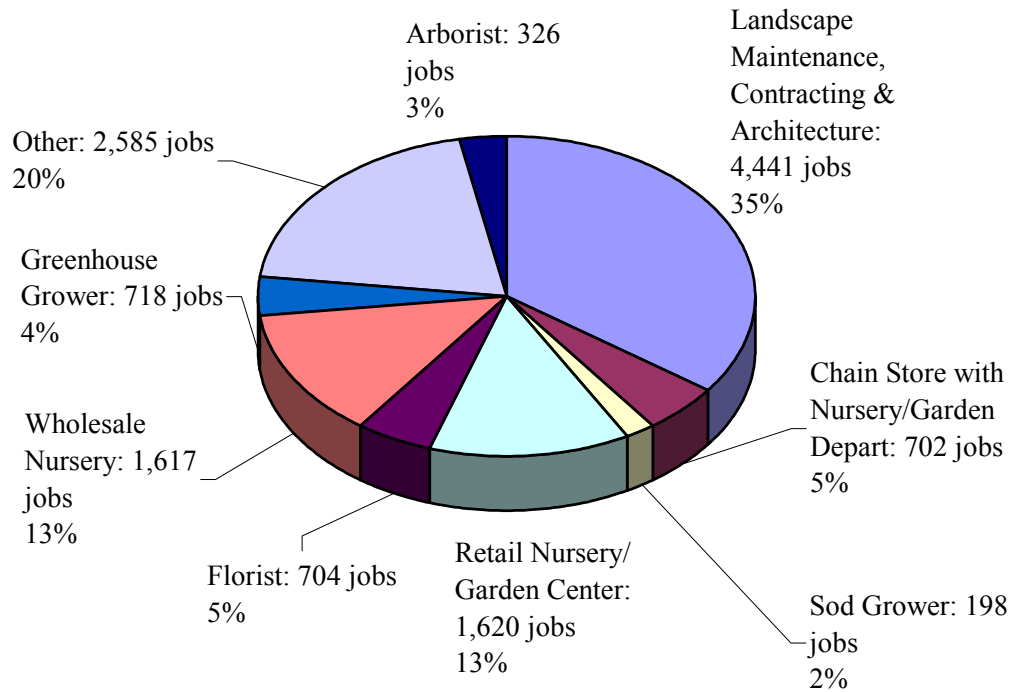
Respondents were also asked in the questionnaire to note the states they purchased products or services from in 1999. Idaho (91%) was the primary state where products or services were purchased with the remainder purchased in Washington, Oregon, Montana, Utah, Wyoming, Canada, as well as a few from other states or countries (see figure 3.). Thirty four percent of products or services purchased by the horticulture industry of Idaho that were from out-of-state suppliers.

Figure 3. States/Countries Where The Idaho Green Industry Buy Products or Services



In 1999, Idaho's Green Industry employed nearly 13,000 people (see figure 4.). This total includes business owners, employed family members, all full-time, part-time, and seasonal workers. Within this total, 2,447 are permanent, full-time employees. In 1999, full-time employees logged a total of 2,154,679 hours for the Green Industry. Part-time and seasonal employees logged 601,505 and 1,597,582 hours respectively. Based on survey responses, an estimated \$70,046,215 comprised the combined 1999 Green Industry payroll, including cost of benefits.

Figure 4. 1999 Idaho Green Industry Estimated total Jobs: 12,911³



Summary

Overall, these survey results reveal that Idaho's Green Industry is a substantial contributor to the state's economy in the form of sales of products, services, jobs, and generated tax revenues. Although the data only reflects one point in time, they provide insight into important economic markets within the state, as well as between the state and its regional competitors. This data supports the efforts by Green Industry representatives to increase awareness of the economic value and contribution of horticulture-related industries within Idaho. The data is of particular importance in light of shifts in other natural resource based industries, historically tied to economies across the state of Idaho.

³ Total jobs in the Green Industry were estimated from the survey by extrapolating information collected from respondents (54%).

Appendices

Appendix 1: First letter

June 28, 2000

Mr. Sample
ABC Nursery
Route 1
Anytown, Idaho 83700

Dear Mr. Sample:

Nursery products and landscaping services are part of an expanding industry in Idaho. These types of horticultural enterprises continue to evolve as an important part of Idaho's economy in both urban and rural settings. The University of Idaho's Social Science Research Unit is conducting a study to assess the extent Idaho's horticulture industry contributes to the state's economic well-being. Costs of this survey are being covered by funds from the annual Nursery/Floral licensing fee required by the Idaho Department of Agriculture. In order to do this type of evaluation, we must gather some information from local business owners.

Your company has been selected as one of the nursery, landscaping, and horticultural enterprises throughout Idaho to participate in this study. In order for the results to truly represent the opinions and experiences of horticultural enterprises in Idaho, it is important that each questionnaire be completed and returned. The information you provide is essential for determining the economic impact of the horticulture industry in Idaho.

We assure complete confidentiality of your responses. The questionnaire has an identification number for mailing purposes only. This will be used to check your name off the mailing list when your questionnaire is returned. **Your name or other identifying information will never be placed on the questionnaire.**

The results of this research will be made available to the Idaho Department of Agriculture Advisory Board for dissemination and will be published in the Idaho State Nursery Advisory Council newsletter, *Taproot*. You may receive a personal copy of the summary of results by writing "copy of results requested" on the back of the return envelope and printing your name and address below it. Please **do not** put this information on the questionnaire itself.

If you have questions about the survey, feel free to contact either Dr. J.D. Wulforst (208/ 885-7645) or Dr. James Nelson (208/ 885-5217). You may also call the Social Science Research Unit of the University of Idaho toll-free at 1-877-542-3019. Thank you for your assistance.

Sincerely,

Dr. J.D. Wulforst
Project Director

Dr. Jim Nelson
Project Director

PS: If your business is not part of the horticulture industry, please return the questionnaire with that notation or call the Social Science Research Unit toll-free 1-877-542-3019.

Appendix 2: Post card

July 5, 2000

Last week a questionnaire seeking information about your horticulture business was mailed to you. If you have already completed the questionnaire and returned it to us, please accept our sincere thanks. If not, please do so today. It is extremely important that your questionnaire be included in the study so that your contribution to the economic impact of the horticulture industry in Idaho is represented.

If by chance you did not receive the questionnaire, or it got misplaced, please call our Survey Unit toll-free at 1-877-542-3019 and we will mail another one to you. If you have any questions about the study, please call Dr. Wulforth (208/885-7645) or Dr. Nelson (208/885-5217). If your business is not part of the horticulture industry, please return the questionnaire with that notation or call our Survey unit using the toll free number.

Sincerely,

Dr. J.D. Wulforth
Project Director

Dr. James Nelson
Project Director

Appendix 3: Second letter

July 21, 2000

Mr. Sample
ABC Nursery
Route 1
Anytown, Idaho 83700

Dear Mr. Sample:

About three weeks ago we wrote to you seeking information regarding your contribution to the economic impact of the horticulture industry in Idaho. We have not yet received your completed questionnaire.

This study is being undertaken using research dollars from your nursery license fee. Information concerning current enterprises is critical to the success and growth of the horticulture industry in Idaho.

I am writing to you again because of the significance each questionnaire has to the usefulness of this study. Even if your business is small or part of a larger enterprise, we still need to hear from you. In order for the results to truly represent those involved in the horticulture industry, it is important that each questionnaire be completed and returned.

In the event that your questionnaire has been misplaced, a replacement is enclosed.

If you have any questions about the survey, please call either Dr. J.D. Wulfhorst (208/885-7645), Dr. James Nelson (208/885-5217), or call the Social Science Research Unit of the University of Idaho toll-free at 1-877-542-3019.

Your cooperation is greatly appreciated.

Sincerely,

Dr. J.D. Wulfhorst
Project Director

Dr. James Nelson
Project Director

PS: If you feel your business is not part of the horticulture industry, please return the questionnaire with that notation or call the Social Science Research Unit toll-free at 1-877-542-3019.

Appendix 4: Third letter

IDAHO NURSERY & FLORISTS ADVISORY COMMITTEE

2270 Penitentiary Road · P.O. Box 790 · Boise, Idaho 83701-0790

Contact: Michael E. Cooper, Division of Plant Industries

Tel: 208-332-8620

Fax: 208-334-2283

October 5, 2000

Kenneth Roberge
P0 Box 1373
Coeur d'Alene, ID 83814

Dear Mr. Roberge:

Enclosed is a new mailing of the survey designed to evaluate the health of Idaho's green industry. At industry request, the Idaho Nursery and Florists Advisory Committee (INFAC) has commissioned this survey to measure the economic impact of the green industry in Idaho.

We are important to the economic health of our state and this information will be used to demonstrate this fact to our elected officials. Our lack of political strength was illustrated this year when Governor Kempthorne vetoed a bill which would have ensured the Idaho nursery growing operations an agricultural exemption on their property taxes.

Funding for the survey came from \$20,000 of the dedicated portion of your annual Idaho State Department of Agriculture nursery licensing fee. The green industry concluded that the use of \$20,000 to measure a \$50,000,000 industry is a worthwhile investment. We need your assistance to complete this project.

As an important voice in the green industry, we need to you complete and return this survey. Horticulture is currently the sixth largest crop valuation in this state. As an important voice in the green industry, we must have your response so that the information we provide to the legislators is accurate and will merit their utmost attention. Without informed legislators, laws can be made that have a negative impact on your business.

Let's not waste our hard-earned money. Please complete the survey. It is not necessary to identify yourself on the survey. All responses are confidential and will not be shared with anyone.

After completing the survey, please use the enclosed self-addressed, stamped envelope and mail it to the Social Science Research Unit at the University of Idaho.

Thank you very much for your cooperation!

Committee Members:

Chairman — Howard Hughes
208-773-1606
Bill Dial
208-322-4505
Kevin Glenn
208-459-4653

Mike Hennequin
208-788-5774
Dave Jenkins
800-456-6360
Eric Madson
208-267-8545

Appendix 5: Brochure

The **Green Industry** of Idaho



Have You Heard?...

Idaho's Green Industry is a unique agricultural commodity, thriving and highly specialized in its activities. The Green Industry is defined as firms involved in the production, design, installation, maintenance, and sale of plants, products, and services. Idaho's Green Industry includes retail nurseries, garden centers, wholesale nurseries, florists, sod growers, greenhouse growers, arborists, landscape contractors, architects, and maintenance businesses, as well as a variety of other specialty industries related to horticulture products and services.

A Recent Study Says...

An independent study by the University of Idaho's Social Science Research Unit reveals the Green Industry plays a vital role in the state's economy. This study was funded by a grant generated from the NURSERY RESEARCH ASSESSMENT fee, collected by the Idaho State Department of Agriculture from each nursery license issued.

The **Green Industry** and Quality of Life...

Plants alter the environment in which we live by moderating climate, improving air quality, conserving water, and harboring wildlife. The green infrastructure of trees, shrubs, and turf is critical for healthy and livable communities. Idaho's Green Industry professionals are committed to enhancing that quality of life.



Adding to the State of Idaho...

As these study results illustrate, the Green Industry not only enhances Idaho's natural beauty, it adds to our exceptional standard of living, quality of life, and economic vitality. It confirms that the nursery industry is profitable and a very important segment of Idaho's economy.

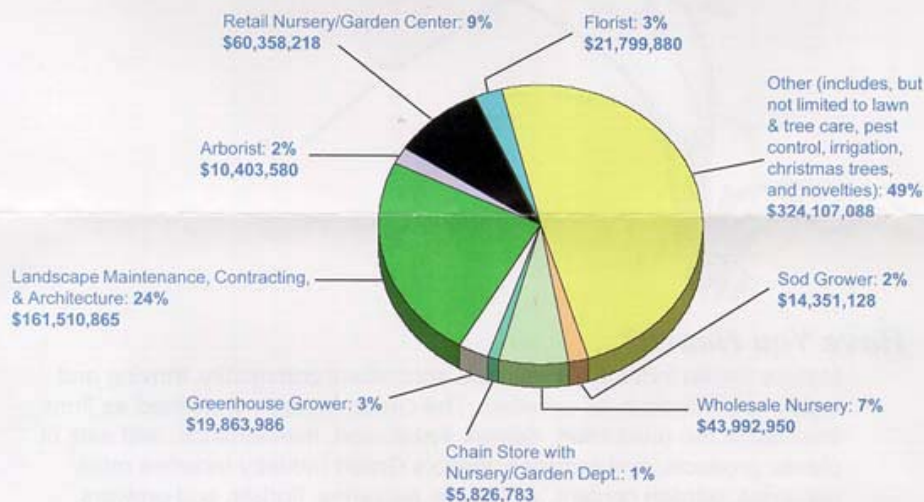
Did You Know?...

Ornamental horticulture production (Farm Gate) ranks in the top ten agricultural commodities in Idaho.

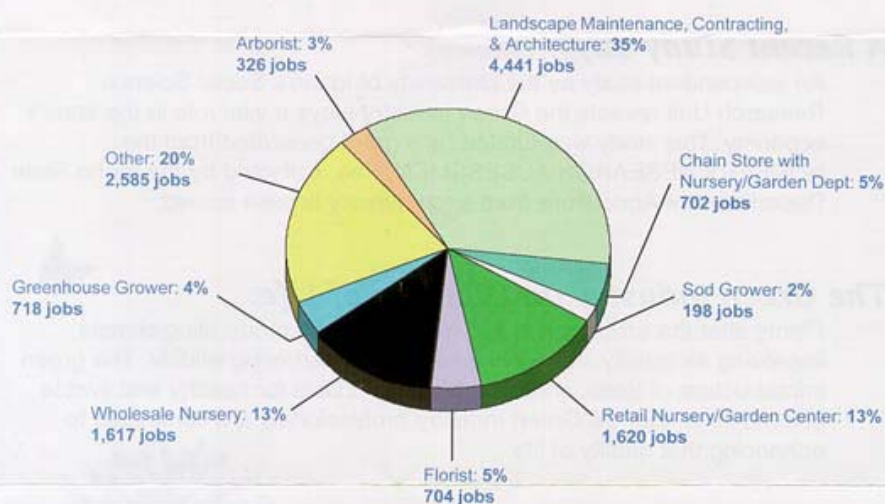


Making a Difference in Idaho The **Green Industry** Study Results...

1999 Idaho Green Industry Estimated Total Sales: \$662,214,478¹



1999 Idaho Green Industry Estimated Total Jobs: 12,911²
(includes full-time, part-time, and seasonal workers)



Idaho's Green Industry added more than an estimated \$662,000,000 in total sales to the state's economy in 1999. Of the total sales, 92% were derived from products and 8% were derived from services. Idaho nursery products are sold throughout the United States, Canada, Central & South America, as well as Europe. Nearly 13,000 employees worked in the nursery industry in 1999, with an estimated payroll totaling over \$188 Million. Idaho's Green Industry contributed more than an estimated \$6.8 Million in Idaho sales tax in 1999.

¹During the summer and fall of 2000, an effort was made to survey the entire Green Industry in Idaho. Over 54% of those surveyed responded. 82% of the completed surveys included responses to the "Total Sales" measure. The estimated total presented here is extrapolated from the total sales information collected.

²Total jobs in the Green Industry were estimated from the survey by extrapolating information collected from respondents (54%).

Appendix 6: Questionnaire

HORTICULTURE ECONOMIC IMPACT SURVEY

1. To begin, we would like you to define your business operation. Please read through the following list and check all categories that apply to your business.

_____	Retail Nursery / Garden Center
_____	Florist
_____	Wholesale Nursery
_____	Sod Grower
_____	Greenhouse Grower
_____	Chain Store with Nursery / Garden Department
_____	Landscape Contractor
_____	Landscape Maintenance
_____	Landscape Architect
_____	Arborist
_____	Other Business Categories (Please specify:_____)

2. About what percentage of your total sales was derived from products and services in each of the following categories of business operation during the past year? (Please write in the percentage next to each category that is applicable and total them to 100 percent. For example: if total sales came equally from two categories, then you would write in 50% in the blank next to each).

PERCENTAGE OF TOTAL SALES

BUSINESS CATEGORIES:

Retail Nursery / Garden Center	_____ %
Florist	_____ %
Wholesale Nursery	_____ %
Sod Grower	_____ %
Greenhouse Grower	_____ %
Chain Store with Nursery/Garden Dept.	_____ %
Landscape Contractor	_____ %
Landscape Maintenance	_____ %
Landscape Architect	_____ %
Arborist	_____ %

Other Types of Business _____ %

TOTAL SALES (Products and Services) 100 %

3. What percentage of your total sales was derived from the sales of PRODUCTS versus SERVICES?

PERCENT OF TOTAL SALES FROM **PRODUCTS** _____ %

PERCENT OF TOTAL SALES FROM **SERVICES** _____ %

4. What did you pay in Idaho sales tax last year?

IDAHO SALES TAX _____ DOLLARS

5. In which of the following states / countries did you SELL products or services? (Please check all that apply.)

____ Idaho
____ Washington
____ Oregon
____ Montana
____ Utah
____ Wyoming
____ Canada
____ Other states / countries
(Please specify: _____)

6. About what percentage of your total sales of products and services went to out-of-state customers during the past year? (Base the percentage on actual dollars earned from sales of the products or services.)

PERCENTAGE OF SALES OUT-OF-STATE _____ %

7. In which of the following states / countries did you BUY products or services? (Please check all that apply.)

____ Idaho
____ Washington
____ Oregon
____ Montana
____ Utah
____ Wyoming
____ Canada
____ Other states / countries
(Please specify: _____)

8. About what percentage of the products or services you purchased for your business last year were from out-of-state suppliers? (Base the percentage on actual dollars spent for products or services.)

PERCENTAGE OF PURCHASES FROM OUT-OF-STATE _____ %

9. What were your total sales of products and services (in dollars) for last year? (Consider all products and services that you sold including products purchased and those from your own production. If you do not know, please give a general estimate of your yearly sales.)

TOTAL SALES _____ DOLLARS

10. What was the TOTAL number of people employed in your business last year? (including yourself, family members and all full-time, part-time, seasonal, and temporary workers.)

TOTAL NUMBER EMPLOYED _____

11. Of this total number of employees, how many were permanent and FULL-TIME (40 hours/ week, all year)?

NUMBER OF PERMANENT FULL-TIME _____

12. List the total number of hours worked in the last year for each of the following categories:

TOTAL HOURS FOR ALL PART-TIME EMPLOYEES _____
TOTAL HOURS FOR ALL SEASONAL EMPLOYEES _____
TOTAL HOURS FOR ALL TEMPORARY EMPLOYEES _____

13. What was your total payroll including costs of benefits last year? (If you do not know, please give an estimate.)

TOTAL PAYROLL _____ DOLLARS

14. Is there anything else you would be like us to know about the horticulture industry in Idaho?